

FY 2008-15

March 2008



Illinois Department of Revenue

Informational Bulletin

Brian Hamer
Director of Revenue

Indiana Rate Change Affects Vehicle Sales in Illinois to Indiana Residents

To: All dealers who file Form ST-556, Sales
Tax Transaction Return

For information . . .

Visit our web site —
tax.illinois.gov

Call us —
1 800 732-8866 or
1 217 782-3336
1 800 544-5304 (TDD only)

Write us —
Illinois Department of Revenue
P.O. Box 19044
Springfield, IL 62794-9044

For forms . . .

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1 800 356-6302

This bulletin is written to
inform you of recent changes;
it does not replace statutes,
rules and regulations, or court
decisions.

Effective **April 1, 2008**, the tax rate for Indiana residents who purchase motor vehicles and trailers in Illinois will increase from 6.00 percent to 6.25 percent. The rate is increasing because Indiana increased its sales tax rate, and Indiana and Illinois do not have reciprocal "out-of-state buyer" exemptions. For additional information on the "out-of-state buyer" exemption, see Information Bulletin FY 2005-13.

NOTE:

Recreational vehicles and cargo trailers purchased by Indiana residents in Illinois will continue to be eligible for the exemption. See Information Bulletin FY 2006-11.

If you have any questions or need more information, visit our web site at **tax.illinois.gov**.